

**Hecla Mining Company**

May 5, 1986

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OIL, GAS & MINING

Ms. Susan C. Linner
Reclamation Biologist/Permit Supervisor
State of Utah
Natural Resources
Oil, Gas and Mining
355 W. North Temple, Suite 350
Salt Lake City, Utah 84130-1203

Dear Ms. Linner:

After consideration of the acreages involved in the Small Fry reclamation permit, Hecla Mining Company has decided to transfer the entire permit obligation to WK Enterprises at this time. Therefore, we are enclosing a map showing surface disturbance, a legal description, a claims map, and the completed Application for Permit Transfer for your analysis.

We have also enclosed a copy of a letter to WK Enterprises addressing escalation of the bond. The escalation is based on the Means Historical Cost Index for the Salt Lake City area. We suggest that this may not be appropriate for the Moab, Utah area, which is in a depressed economic state, and that possibly these figures should be readjusted to make them more compatible for the Moab area.

If you should have any further questions on the permit transfer, please contact me at 208-769-4100.

Sincerely,

Colleen D. Kelley
Environmental Supervisor

CDK:jrr
Enclosures